



Budget Briefs

SENATE REPUBLICAN FISCAL OFFICE

The Governor's Reorganization Plan: Reforming California's Youth and Adult Correctional Agency

March 9, 2005

The Governor's Reorganization Plan (GRP)

The GRP was submitted to the Little Hoover Commission (LHC) on January 6, 2005. Under the GRP, the Youth and Adult Correctional Agency (YACA) and its subordinate entities (Department of Corrections (CDC), Youth Authority, Parole Boards, Board of Corrections, and Commission on Correctional Peace Officer Standards and Training) would be consolidated into the newly established Department of Corrections and Rehabilitation (DCR). The GRP asserts that this will provide the Agency Secretary with direct authority over all activities within the DCR. However, line managers will continue to have day-to-day authority over operations within their areas, but will be accountable to the Secretary for their performance. Additionally, under this plan, Wardens will no longer be confirmed by the Senate.

The GRP proposes to eliminate duplication of effort and improve service delivery for the purpose of increasing effectiveness, accountability and efficiency. While the GRP appears to advocate a balance of corrections and rehabilitation it is not clear how this will be achieved. Additionally, the 2005-06 Governor's Budget does not propose any GRP related funding augmentations or savings. (See Attachment A for the existing and proposed organizational structure charts.)

The GRP was submitted to the Legislature on February 22, 2005. It becomes effective on the 61st day after it has been given to the Legislature unless either the Senate or the Assembly adopts by majority vote a resolution rejecting the plan. Actual statutory language to enact the reorganization is processed in the following year, but the reorganization is effective even without the statutes being on the books. A prior plan submitted to the Governor by the Corrections Independent Review Panel (CIRP), Chaired by former Governor George Deukmejian, contained 237 recommendations and covered over 200 pages, and

recommended the reorganization of YACA be given the highest priority. This GRP is 18 pages in length and contains several of the CIRP proposals.

On February 23, 2005, the LHC recommended that the Legislature allow the GRP to go into effect and continue to work on the problems that are not solved by the GRP. They acknowledged that the plan was not perfect, but noted that it is a major step forward in addressing the numerous problems plaguing the correctional system. The LHC identifies several strengths in the plan, including: 1) Increasing consistency and uniformity, 2) Clarifying and expanding authority; 3) Reducing duplication and waste; 4) Elevating rehabilitation; 5) Adding new critical functions; and 6) Elevating victim's services. Among others, the LHC's concerns include: 1) Insufficient focus on youth, 2) No outside independent and expert advice and oversight; 3) No chief financial officer is proposed; 4) Too little focus on re-entry; and 5) the cost of reform.

Analysis/Comments

The GRP is intended to establish clear lines of reporting, accountability and responsibility, and performance assessments that will improve services, reduce the likelihood of repeat offenses and eliminate abuses within the current system. It proposes to centralize services and activities to remove duplication, and leverage the scale of the entity's \$6 billion spending authority, thus reducing the cost of operations. However, a significant reduction in duplication of effort is unlikely since most of the entities being combined are relatively small in comparison to CDC. Additionally, although the plan states it will deliver a safer society at less cost to the people of California, Administration representatives have indicated that **any** savings associated with this plan would likely be internally reallocated to fund programming, information technology, and possibly other areas deemed appropriate.

According to the GRP, due to the sheer size and complexity of the correctional system, the critical nature of its mission, and the severity of the current problems, there is a need for wholesale reform, and that reform should begin with the system's reorganization. It is an understatement to say that the restructuring alone will produce the necessary reforms, clean-up the prison system, rein in costs, curb misconduct, hold correctional administrators accountable and make communities safer. It will not affect sentencing laws, labor costs, or prison overcrowding. Solutions or alternatives to these issues are far beyond the scope of this reorganization.

The LAO's review of the GRP and the YACA Strategic Plan (Plan), states that the proposal has the "potential" to improve efficiency, accountability, and effectiveness of the system. However, the plan "omits important details" needed to evaluate its merits. Specifically, the GRP and the YACA Plan do not contain measurable goals, a baseline assessment of where YACA is currently in relation to these goals, and how these goals are to be achieved. Moreover, they are concerned that the infrastructure to support a rehabilitation mission will require significant resources.

The GRP could result in additional costs in the short-term, and any administrative savings achieved would likely be offset by upfront costs of the reorganization for such things as the relocation of staff, office space and equipment, and new telephones and computer equipment. The plan does not specify how many staff will move offices or be relocated. The LAO believes these costs could “run into a few million dollars.” Potentially significant long-term savings are only likely to occur if the DCR is successful in placing more emphasis (and we assume resources) toward inmate rehabilitation that actually results in reduced recidivism as a means of increasing public safety.

Other issues raised by the LAO, include: 1) Focus on rehabilitation will require a major paradigm shift; 2) Risk of combining youth and adult programs should be mitigated; and 3) The GRP alone will not address chronic problems such as lack of fiscal control, employee misconduct, prison overcrowding, and inadequate treatment of inmates and wards.

On the surface this plan appears to be a reshuffling of the deck chairs, but something positive could occur as a result of this proposal. If this is truly the “linchpin” of the Administration’s grander scheme, we should demand assurances that moving in this direction will not come at the expense of public protection. While an apparent cornerstone of this proposal is to place corrections and rehabilitation on an equal level, the proposal itself does not effect that change. This change should only occur via separate legislation after thorough policy discussions have taken place. If it is the consensus that public safety can be achieved through a balance of incarceration and rehabilitation, or some derivation thereof, we must be certain that public safety is not compromised. Unfortunately, the initial cost and investment will likely be major.

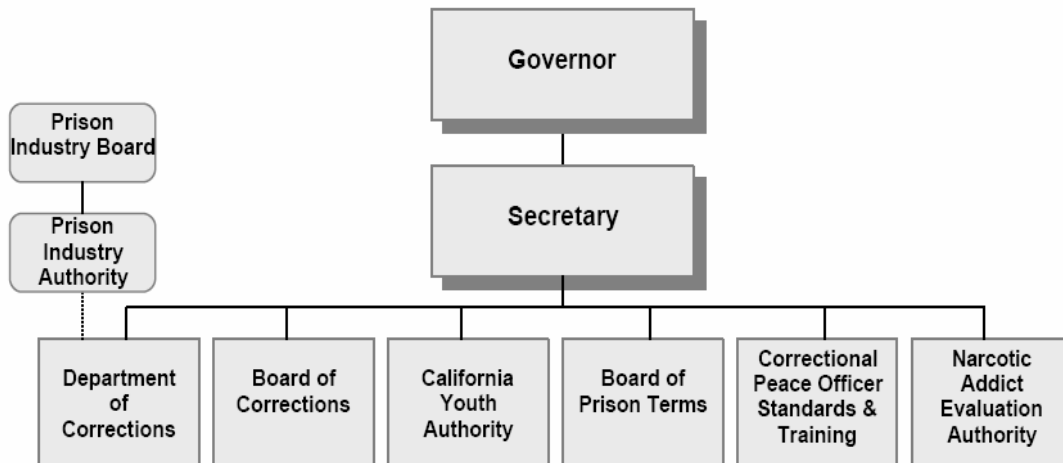
Conclusion

This proposed GRP is at best a meager first step in making the state government more productive. While it is possible that the reorganization will increase the responsibility and accountability of the current corrections system and reduce the cost of operations by removing duplication, it is not clear how this accountability or removal of duplication of effort will occur at the lower organizational levels. Optimally, the Legislature should be actively engaged and involved in any decisions to change correctional policy, identify and/or redirect potential savings, and it should not be assumed that custody programs should be cut and reallocated to fund reforms.

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Attachment A

Current Organization – Youth and Adult Correctional Agency



Proposed Organization – Department of Corrections & Rehabilitation

